

## FY 08 Education Funding Package What does it mean for your school?

### Per-student allocation

FY 07 per student allocation	\$4,364.85
Schools receive additional \$130.95 per student (+3%)	+ \$130.95 (+3%)
--Total: \$16.9 million (increase State funds)	\$4,495.80
Schools receive additional \$33.00 per student (+.75%)	+\$33.00 (+.75%)
-- <b>Added to the base</b>	<b>\$4,528.80 (+3.75%)</b>
--All state funds 1 <sup>st</sup> year	
Total: \$4 million (increase State funds)	

### Teacher compensation

Schools *may* receive approximately \$33 per student for teacher salaries

- Teacher Compensation Assistance Program
- Targeted to assist with teacher salary enhancement
- Application process
- State provides \$4 for every \$1 at local level
- Total available: \$4 million statewide

### Services to schools

Schools continue to receive the following services:

- Education Service Agencies \$1.7 million (all new State money)
- Career and technical education grants \$1.5 million (\$500,000 new State money)

### Changes to State Aid formula

- Changes outlined on back side
- \$2.8 million to support changes (all new State money)

### Total K-12 funding package (new money)

Formula state aid	\$23.7 million
Teacher Compensation Assistance	\$4 million
Education Services Agencies	\$1.7 million
CTE grants	\$500,000 (new money, \$1.5 million total)
State Aid for special education	\$594,809
K-12 Technology	\$1.4 million

**Total K-12 funding package:      \$32 million (new money)**

## **Changes to the State Aid formula**

### **Fall enrollment calculation replaces ADM**

- One-day count, last Friday in September
- Includes all students for whom district is financially responsible, including partially enrolled students
- Results in more accurate student count earlier in year

### **Two-year averaging eases impact of declining enrollment**

- Use two-year average of fall enrollment or previous year's fall enrollment, whichever is greater
- Softens the impact of declining enrollment

### **Recognizes growing enrollment in current year**

- One-time payment to districts experiencing growth of 5% or 25 students over previous year fall enrollment
- Payment equal to 50% of per-student allocation for number of additional students
- Payment made mid-year

### **Small school adjustment replaces small school factor**

- Additional payment per student vs. an addition of students
- Maximum small school adjustment is 20% of \$4,237.72 (the FY 06 per student allocation) for districts at or below 200 students
- \$4,237.72 is not inflated annually
- Adjustment provides more funding to most districts with 201-599 students
- Districts with less than 100 students that are not sparse must consolidate

### **Changes to sparsity**

- Decreases maximum payment to \$165,000 per district
- Calculation based on new small school adjustment
- Sparsity payments for FY 07 not fully funded – payments will prorated

### **Impacts to consolidating districts**

- Doubles incentives for consolidations after July 1, 2007
- \$600 per student 1<sup>st</sup> year, \$400 per student 2<sup>nd</sup> year, \$200 per student 3<sup>rd</sup> year
- Eliminates 8-year phase-out of additional small school adjustment for districts that consolidate after July 1, 2007
- Allows for transfer from capital outlay to general fund within one year of consolidation

### **General Fund cap**

- Sets general fund balance cap at 25% for all districts by 2012